Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Enermontijo S.A.

Re-assessment

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

For further information on the SBP Framework and to view the full set of documentation see **www.sbp-cert.org**

Document history

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1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Gabriel Poveda
Audit team members:	N/A
Name of the Company:	Enermontijo S.A.
Company legal address:	Rua Josué Gordicho Pegões, 2985 – 204 Pegões, Portugal
Company contact for SBP:	Hélia Santos
Company contact email:	helia.santos@enermontijo.pt
Company website:	www.enermontijo.pt
Date of installation:	
SBP Certificate Code:	SBP-01-51
Date of certificate issue:	15 Nov 2026
Date of certificate expiry:	14 Nov 2031
Audit closing meeting date:	17 Jun 2026
Audit cycle:	Re-assessment

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Christian Jürgensen
Date of decision:	17 Sep 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9316	NC Grading: Observation
Standard:	SBP Standard 1: Feedstock Compliance v2.0
Requirement:	N/A N/A 2 Feedstock sourcing does not harm the environment 22 Ecosystem productivity, functions, and services are maintained or enhanced. 221 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.
Description of Non-conformance and Related Evidence:	
Verification of the January 2008 land status was difficult during this audit, as historical orthophotos — though publicly available — are hard to locate by coordinates and to interpret for 2008, and the organisation has no straightforward means to demonstrate the 2008 status of its sourcing parcels. This shall be followed up at future surveillance audits to determine whether the organisation has established a practical and repeatable method to identify and evidence the 2008 land status.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9317	NC Grading: Observation
Standard:	SBP Standard 1: Feedstock Compliance v2.0
Requirement:	N/A N/A

	2 Feedstock sourcing does not harm the environment 22 Ecosystem productivity, functions, and services are maintained or enhanced. 2211 The impacts of natural processes such as fires, pests and diseases shall be managed.
Description of Non-conformance and Related Evidence:	
The Supply Base Report focuses mainly on forest fires as the natural-process risk, but the impact of the pine wood nematode (Bursaphelenchus xylophilus) is also a reality in Portugal. National legislation requires the organisation, and the industry more broadly, to implement specific phytosanitary practices — including controls on the movement and processing of susceptible conifer material, debarking, and the use of authorised operators within designated zones — to prevent the spread and limit the impact of the nematode. The organisation should ensure these legal obligations are reflected in its risk assessment and monitoring.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9318	**NC Grading: Observation**
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.14 The Organisation shall identify stakeholders, develop, implement, monitor, evaluate and adapt as necessary, a Stakeholder Engagement Plan (SEP) appropriate for their business operations and scope of certification. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
Stakeholder engagement is currently carried out only at the level of the association of municipalities, whereas the local entities directly affected by the sourcing operations are the Município de Montijo and, within it, the Freguesia de Pegões. As the formal consultation by email returned no comments, the company is encouraged to broaden its stakeholder engagement beyond email — for example through direct contact with local authorities (Câmara Municipal de Montijo, Junta de Freguesia de Pegões), neighbouring landowners and forest operators, telephone calls or in-person meetings — and to keep a record of these less-formal contacts (date, participants and topics discussed) so that effective implementation of the SEP can be demonstrated.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9319	**NC Grading: Observation**
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	4.6 The Organisation shall have a justified and consistent methodology for calculating conversion factors, based on the actual output of a specific product group, and shall keep its conversion factor up-to-date. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
As the conversion factor is recalculated regularly, the organisation should keep the figure recorded in its manual up to date; retaining the fixed 2024 factor in the manual could otherwise cause confusion when a more recent factor applies.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9320	**NC Grading: Observation**
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	1.1.1 The Organisation shall include the sourcing areas for all feedstock (including geographical boundaries) that are currently used and intended to be used in the production of SBP-certified biomass. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
While the Organisation's Supply Base mapping identifies sourcing areas at MCA (cadastral parcel) level, these do not consistently correspond to Forest Management Units (FMU) as defined for SBE/RMM sampling purposes. It is recommended that the Organisation clarify and document the criteria used to group MCAs into FMUs (e.g. by ownership/titular or management unit), to ensure the sourcing area definition aligns with the sampling pool used for risk evaluation.	

Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	N/A
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

The company has furnished a number of pieces of information in order to respond to the reviewe'rs request. A review of the data in SBR and SAR revealed minor inconsistencies not detected durign the audit.

2.4 Notes for the next Audit

The five formal observations (from section 2.2 / 5.8), with what the next audit needs to check:

1. **Std 1, Ind. 2.2.1** – No straightforward, repeatable method to evidence the January 2008 land status of sourcing parcels (historical orthophotos hard to locate/interpret). *Follow-up: verify whether the organisation has established a practical method to identify and evidence 2008 land status.*
2. **Std 1, Ind. 2.2.11** – Risk assessment covers forest fires but not the pine wood nematode (*Bursaphelenchus xylophilus*) and related phytosanitary legal obligations. *Follow-up: verify the risk assessment/monitoring has been updated to cover nematode-related obligations.*
3. **Std 4, Req. 1.14** – Stakeholder engagement conducted only at association-of-municipalities level, not with the directly affected local entities (Município de Montijo, Freguesia de Pegões); informal contacts unrecorded. *Follow-up: verify broadened engagement is documented.*
4. **Std 4, Req. 4.6** – Conversion factor in the manual still shows the fixed 2024 value, not kept current. *Follow-up: verify the manual reflects the current conversion factor.*
5. **Std 2, Req. 1.1.1** – Sourcing areas mapped at MCA (cadastral parcel) level don't consistently correspond to Forest Management Units used for SBE/RMM sampling. *Follow-up: verify criteria for grouping MCAs into FMUs have been clarified/documented.*

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	Trader
Approved Standards	SBP Standard 1: Feedstock Compliance v2.0; SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Product Group IDs	☒ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☒ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	Portugal
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	No changes.

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

Enermontijo is a wood pellet production plant established in 2008. It has an annual maximum production capacity of 60 thousand tons of wood pellets and in practice produces around 54,879 tons a year. Nationally and regionally Enermontijo can be considered a medium to large wood pellet plant. However, in comparison to the pulp and paper plants in Portugal, it is merely a small stakeholder in the forest sector. Enermontijo supplies industrial wood pellets to power plants in the North-West of Europe, as also high-quality pellets to ever more European markets. The company acquires primary feedstock from one well-known supplier which sources regionally. It uses mainly small, low-quality tree stems from thinning activities. Thinning and pruning residues of umbrella pine (Pinus pinea) are the most used feedstock by Enermontijo and for this feedstock the company involves contractors to carry out the forest operations. A small portion of low-grade eucalyptus (co-product) is used as a feedstock which has too low quality to be used in the pulp and paper industries. Most of the feedstock used for pellet production came from forest maintenance operations in Portugal, mainly the following regions: Setúbal; Lisboa; Santarém; Évora; Beja; Portalegre. By using the Supply Base Evaluation (SBE), they sourced feedstock to be able to sell 99.3% as SBP-Compliant and 0.7% as SBP-Controlled. Pellets are sold FOB in Setubal Port (Portugal). Scope includes EU RED Level B from primary feedstock from Portugal.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Enermontijo S.A.	Rua Josué Gordicho. Pegões. Portugal.	Pellet producer.	☒
Enermontijo, S.A.	Preparadora de Pinhoes, Rua das Alpenduradas	Temporary storage (warehouse)	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

Valid FSC system description and other documents exist. Critical control points of the FSC CoC system were evaluated also during SBP audit. The Organisation has implemented FSC credit system which is used for materials received as FSC certified, FSC Controlled wood and feedstock verified according to the Organisation's own Controlled wood verification system, covering Portugal. Feedstock whose origin cannot be verified as per the established Due Diligence system is classified as SBP-Controlled rather than SBP-Compliant and is accounted for separately within the credit account mass balance system; it is not excluded from production. Supplier list is maintained. After the reception, incoming feedstock is unloaded into piles according to type of feedstock and load is registered into the recordkeeping system. All input material is weighted and recorded in tonnes. For the credit account purposes the volume of feedstock is recalculated by using the conversion factor of the production, FSC credit account is updated monthly: data about received raw materials by FSC certification status and volume of sold pellets are recorded. In case of the FSC and/or SBP sales, the volume of sold pellets is withdrawn from the credit account. Based on the credit account management the proportion of the SBP-compliant and SBP-controlled biomass is calculated and all records are kept. For the current reporting period, the mass balance records 871.82 t (0.67%) of SBP-Controlled feedstock and 382.67 t of SBP-Controlled pellets, against 129,636.66 t (99.33%) SBP-Compliant feedstock and the corresponding balance of SBP-Compliant pellets.

4 Specific objective of the audit

The objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of this reassessment also covered the Supply Base Evaluation and their mitigation measures as well as RED III requirements for primary feedstock.

The scope of the evaluation covered

- Review of the BP's management procedures, including requirements designated in applicable SBP Standards and Instruction Documents;
- Review of the production processes, production site visit;
- Review of the updated Supply Base Report;
- Review of the risk assessment results;
- Review of SBP system control points, analysis of the existing FSC Coc system;
- Evaluation of mitigation measures implemented for primary feedstock (including inspection of primary feedstock suppliers);
- Review of the records, calculations and conversion factors;
- GHG data collection analysis;
- Interviews with responsible staff;
- EU RED bridging requirements for meeting EU RED III for primary feedstock
- Level B sustainability criteria for primary feedstock from Portugal

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Gabriel Poveda Portilla	8.0
2. On-site (excl. travel time)	Gabriel Poveda Portilla	20.0
3. Report writing	Gabriel Poveda Portilla	8.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Gabriel Poveda Portilla	Lead Auditor	Forest Engineer and Auditor with Preferred by Nature since 2020. Gabriel is qualified in FSC Chain of Custody and Forest Management, PEFC Chain of Custody, and SBP audits. He is also a former auditor for the Rainforest Alliance Sustainable Supply Chain certification. Gabriel brings multidisciplinary expertise in forest certification and biomass sustainability to this evaluation.

5.3 Description of evaluation activities

The reassessment SBP audit was carried out on June 15, 16 and 17, 2026, thus a total of 3 days were used for this audit which was combined with the FSC COC audit. The audit was carried out through visits to the pellet production site and office in Pegões, Portugal, as well as a visits to suppliers of primary raw materials and field inspection of forest properties where the raw material is currently obtained.
Opening meeting was followed by review of the SAR, management system and the SBR and SBE. Requirements for RED III procedures and Level B risk assessment for RED III sustainability requirements were reviewed on the last day of the audit. Risk assessment prepared by the organization as well as the mitigation measures were evaluated, evaluation was also supported by findings from the last annual audit where field visits and other document revision was conducted.
This report is the result of the findings of a reassessment audit carried out by an independent lead auditor. The purpose of the assessment was to assess the client's compliance with the standards used within the scope of the certificate.
A sufficient amount of people were interviewed during the site and field visits.
Critical Control points were evaluated and found to be sufficiently well managaed and controlled.
A closing meeting was conducted where the auditor summarized the reassessment audit conclusions and next steps were clarified.
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5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation

Site name
Herdade da Barrosa
Site location
Cabrela, Montemor-o-Novo
Site description
Umbrella pine (Pinus pinea) stand, approx. 21.5 ha, subject to commercial thinning under a valid regional harvest licence.
Rationale and focus of visit
Verify legal sourcing of feedstock; risk assessment of forest operations and legality documentation reviewed.
Description of audit activity
Site field-verified (natural regeneration confirmed); operator representative interviewed. Thinning completed and the finished work was adequate; nothing notable was observed.

Site name
Herdade da Espadaneira
Site location
Canha, Montijo
Site description
Umbrella pine (Pinus pinea) stand, approx. 141 ha, commercially thinned under a valid harvest licence; material delivered to Enermontijo.
Rationale and focus of visit
Verify legal sourcing and origin of feedstock; legality documentation reviewed.
Description of audit activity
Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc. Auditor evaluated during field visits harvesting practices and potential impacts on water. During field visits auditor witnessed Enermontijo staff to verify their own evaluation. No discrepancies were found between auditor and Enermontijo staff criteria. At Herdade da Espadaneira, signs that machinery may have passed near a watercourse were observed; the operators denied responsibility. The auditor interviewed the operators, who demonstrated confidence and familiarity with the site and affirmed that they used a specific route avoiding the watercourse, stating that their machinery cannot cross it, and reviewed the associated licensing and mitigation documentation, which was found to be complete and consistent. No further means of verification (e.g. equipment tracking) were available on site. No other evidence of harm to water quality or quantity was identified. The mitigation measure is considered sufficient. Verified on several sites during the audit.

Site name
Herdade do Monte Branco
Site location
Vendas Novas
Site description
Pine stand, approx. 48 ha, commercially thinned under a valid harvest licence; material delivered to Enermontijo.
Rationale and focus of visit
Verify legal sourcing, feedstock origin and species identification; legality documentation reviewed.
Description of audit activity
Thinning completed correctly, with no soil degradation or erosion observed; operations aligned with the licence and reported tonnages consistent with or below the licence; operator interviewed. Observation: the stand was identified in the field as umbrella pine (Pinus pinea) while the licence appears to record it as maritime pine (Pinus pinaster).

Site name
Herdade da Hortinha
Site location
Vendas Novas
Site description
Umbrella pine (Pinus pinea) stand, approx. 416 ha, subject to thinning and extraordinary felling under a valid harvest licence.
Rationale and focus of visit
Verify legal sourcing of the thinning and extraordinary felling; legality documentation reviewed.
Description of audit activity
Site field-verified (stand age approx. 40–60 years); operator interviewed. Thinning and extraordinary felling confirmed; only cork oak (sobreiro) is retained; approx. 200 t.

Site name
Herdade de Mares
Site location
Vendas Novas
Site description
Umbrella pine (Pinus pinea) stand harvested under a valid licence; material delivered to Enermontijo.
Rationale and focus of visit
Verify legal sourcing and origin of feedstock; legality documentation reviewed.
Description of audit activity
Site field-verified (natural regeneration; stand age approx. 50–60 years); operator interviewed. Thinning confirmed; rain-toppled stumps retained on site.

Site name
Base Aérea Nº 6 (Samouco)
Site location
Montijo
Site description
Approx. 540 ha on public/military land; mixed operations comprising umbrella pine thinning, Acacia removal and maritime pine thinning under a valid harvest licence.
Rationale and focus of visit
Verify legal sourcing on public land, feedstock origin and subcontractor health-and-safety compliance.
Description of audit activity
Origin field-verified (forwarding and chipping operations). Site verification: cleaning of umbrella pine with Acacia removed and cork oaks (sobreiros) retained; no visible erosion; operations overseen on site. The forwarding subcontractor and the chipper operator were interviewed — safety equipment in place and appropriate training confirmed, with no discrepancies against health-and-safety requirements.

Site name
Campo de Tiro de Alcochete
Site location
Samora Correia, Benavente
Site description
Umbrella pine (Pinus pinea) stand, approx. 7,401 ha, commercially thinned under a valid harvest licence.
Rationale and focus of visit
Verify legal sourcing of the large-scale thinning and feedstock origin; legality documentation reviewed.
Description of audit activity
Recent operations observed. Observation: adjacent to a watercourse, some trees were partially submerged and machinery footprints were seen near a bridge crossing the watercourse, and the exact edge of the watercourse was difficult to delineate; the operators stated the work was carried out correctly and that the water buffer was respected.

5.5 Describe audit sampling methodology used

FMU sampling. The Organisation's SBE (Portugal Continental) rated 9 of 42 indicators as specified risk. For all 9, the RMP defines the Means of Verification as a field visit to the intervention area ("Vistoria de Controlo"), implementable exclusively between the issuance of the MCA licence and the conclusion of forest operations at that source. Accordingly, the CB sampling pool (X) comprises the FMUs with operations active and field-verifiable within the audit window, rather than the cumulative annual list of sourcing origins (269 MCAs / 584 manifestos over the full reporting period), the majority of which had concluded operations and were not available for field verification. Based on the reception records, the number of FMUs with active operations in a comparable field-audit window is in the order of 56–82. Applying $Y = 0.8 \cdot \sqrt{X}$ (re-assessment) to this verifiable pool yields a required sample of 6–8 FMUs. A sample of 7 FMUs was selected, at the mid-point of the calculated range, ensuring representativeness across forest type (Pinus pinea, Pinus pinaster, Acacia sp.), operator (Luis e Paulo Emerenciano Lda; Maratona Obstinada Unip Lda), ownership (private, agricultural companies, inherited estates, military/EMFA land), operation type (thinning, extraordinary and final felling), and geographic distribution across six municipalities. Storage and logistics sites. In accordance with IAF MD1 rules, the port of Setúbal — where pellets are loaded directly onto vessels — was categorised as a logistics site (temporary storage as part of the logistics process, provided by the transporter/harbour on an ad hoc basis) and was

therefore excluded from the sample pool. Notwithstanding this, a temporary storage place located approximately 600 m from Enermontijo's main facilities was visited during the audit, given its proximity to the plant, to verify the handling and segregation of biomass at that location.

5.6 CB stakeholder engagement

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

Stakeholder engagement process is defined in Exhibit - EM.PEPI. The company conducted stakeholder consultation as engagement between May 16 to June 17.

5.7 Stakeholder feedback and response

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

No comments were received

5.8 Main strengths and weaknesses of the management system and operations

Strengths. Enermontijo demonstrated a good level of compliance with Standards 1, 2, 4 and 5 and the RED III requirements, with reasonable supporting evidence where no non-conformity was detected. Its mature FSC Chain of Custody system, well-functioning management system, and close relationship with suppliers and forest owners are the main strengths supporting conformity with the relevant SBP standards.

Weaknesses. No non-conformities were raised; five observations were issued:

1. no straightforward, repeatable method to evidence the January 2008 land status of sourcing parcels (Std 1, Ind. 2.2.1);
2. the risk assessment addresses forest fires but not yet the pine wood nematode and related legal phytosanitary obligations (Std 1, Ind. 2.2.11);
3. stakeholder engagement conducted at the association-of-municipalities level rather than with the directly affected local entities, with informal contacts unrecorded (Std 4, Req. 1.14);
4. the conversion factor in the manual retains the fixed 2024 value and is not consistently updated (Std 4, Req. 4.6); and
5. sourcing areas mapped at MCA level do not consistently correspond to Forest Management Units for sampling purposes (Std 2, Req. 1.1.1). None affects the integrity of SBP-certified output; all will be followed up at subsequent surveillance audits.

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☐ N/A – Standard 1 not in the scope of the evaluation

Enermontijo embarked on the development of a detailed Supply Base Evaluation which includes a clear description of their Supply Base Area. The geographical scope of the SBE is Continental Portugal. The SBE was developed in joint efforts between internal personnel and a qualified consultant, using credible data sources. Enermontijo´s management and monitoring systems are designed to ensure compliance with applicable laws and regulations.

The supply base evaluation assessment aims to provide assurance that the biomass used is from legal and sustainable sources. The SBE for Portugal highlights key aspects of supply that could potentially present risks

from unsustainable biomass from forest. These aspects are managed by implementing mitigation measures, which are deemed sufficient to lower the risks to low risk, and the rigor with which the Supply Base Evaluation was performed is sufficient to properly evaluate the risks within the chosen Supply Base. The current definition of scope, as adopted by the company, includes biomass sourced from Portugal.

The SBE is well implemented and address the scope of the BP. The system is strong enough to conclude low risk for the material sourced. The defined SBE scope is adequate to the specific characteristics of the supply base.

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☒ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

During the audit, a valid FSC CoC system description and other documents associated with FSC and CoC certification was reviewed. Critical control points of the CoC system were evaluated also during SBP audit. Enermontijo has a Chain of Custody system based on the Mass Balance method for SBP and RED III requirements. Enermontijo is implementing the SBE system for all feedstock sourced, even if certified under FSC and/or PEFC FM. Any non-compliant material identified is kept physically separated at the harvest site or in the log yard prior to being accounted for within the mass balance system. The material is transported to Enermontijo and comes with a delivery note where the forest stand and potential claim is indicated. For RED III scope, Enermontijo implements a mass balance system with a 12-month balancing period.

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The auditor verified the SAR against SBP Instruction Document 5E, cross-checking the feedstock and biomass production data reported in the SAR against the underlying records. Total production for the reporting period (54,879 tonnes) was reconciled against Enermontijo's daily production log. The SBP-Compliant/SBP-Controlled feedstock split reported in the SAR (99.33% / 0.67%) was reconciled against the company's mass-balance records. Electricity consumption reported in the SAR (10,669,536.8 kWh; 194.4 kWh/tonne pellet) was reconciled against the electricity supplier's invoices, consistent with the SBP reference range for this feedstock mix. Diesel consumption reported in the SAR (84,258.15 litres; 1.54 L/tonne pellet) was reconciled against the organisation's fuel monitoring system, which uses chip-based metering on equipment to record actual consumption rather than estimated or default values, and falls within the SBP reference range. GHG data and the company's energy data collection procedures were reviewed against Instruction Document 5E; the responsible person demonstrated the competency and documented procedures required for this task, supported by prior experience with energy data collection under other certification schemes (e.g., GGL). Data is submitted via the SBP DTS and communicated to the next legal owner in accordance with Standard 5 - 1.2 and 1.5.

5.13 Summary of audit findings for competency of involved personnel

Internal staff members are involved in the SBP system management and implementation. All interviewed responsible staff demonstrated awareness of their responsibilities within SBP system. All involved personnel, including responsible staff at suppliers and sub-suppliers have demonstrated good knowledge in relevant fields (recognition and identification of HCVF, familiarity with health and safety requirements, timber origin verification) during the site visits. Relevant certificates and diplomas were presented during the assessment and scope change audits. Qualification requirements for personnel involved in the SBE system are provided in documented

procedures of the BP. In overall, auditors evaluate the competency of main responsible staff to be sufficient for implementing he SBP system with both primary and secondary material sourced within the SBE. This has been based on interviews, review of qualification documents, training records and set of procedures and documents that were composed for the SBP system as well as field observations during the assessment and audits.

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

☒ N/A – Standard 6 not in the scope

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☐ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

The Supply Base Evaluation was implemented only for primary feedstock sourced from Portugal. Enermontijo has developed an SBE for primary feedstock from forests that are sourced from suppliers who are doing the harvesting work. Once all the indicators defined by SBP have been analyzed, 9 indicators were designated as specified risk for primary feedstock from forests in Portugal requiring risk mitigation measures: 2.1.2, 2.1.3, 2.2.1, 2.2.2, 2.2.3, 2.2.5, 2.2.11, 3.3.1 and 4.1.10. Enermontijo developed the mitigation measures and demonstrated the implementation during the on-site visits. For EU RED sustainability criteria the SBE made by the Company covers: Forest feedstock form Portugal. The EU RED SBE considers: continuous monitoring from Enermontijo; - on-site audits of the suppliers; - high level of control directly by the authorities; - rejection of material if control measures cannot be implemented.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
2.1.2 Threats to and impacts on the identified key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified and evaluated.
Specified risk description
There are HCV areas designated as protected and classified areas as national or EU level (Natura 2000). There are also smaller areas and biotopes important to biodiversity, which can be classified as priority species habitats. Specific risks are considered for HCV1 and HCV3 as follows: • HCV1 –Species diversity: there is a specified risk that forest operations could harm species diversity on private, community and public areas not managed by ICNF. • HCV3 –Ecosystems and habitats: there is a specified risk that forest operations could harm ecosystems and habitats on private, community and public areas not managed by ICNF.
Detailed description of a mitigation measure
- Desk assessment of possible impacts of harvesting operations regarding publicly available information from credible third parties. - Identification and mapping of protected species, habitats and key ecosystems. - Training/information to suppliers on identification of forests with HCVs, and methods to protect HCVs. - Harvesting according to best practices in sustainable forest management.
Detailed description of CB evaluation of mitigation measure and its conclusions

1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc.
2. Auditor analyzed geo-coordinates of a sample of entries and verified with geo databases potential HCV.
3. Auditor witnessed how Enermontijo staff evaluated harvesting practices and HCV.
4. Mitigation found sufficient to ensure that the feedstock is received as low risk. The control system for feedstock includes regular follow-up of suppliers and inspections of suppliers' harvesting operations to check if harvesting is made according to best practices, including for this indicator, if protection of HCV's 1 and 3 is ensured. If any deviations or non-conformities from this visit or other observations occur, the risk approach and its mitigation measures shall be reviewed.

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.
Specified risk description
Around 3600 species of plants can be found in Portugal. There are 69 taxa of terrestrial mammals, a total of 313 bird species, of which around 35% are threatened, and 17 amphibians and 34 reptile species that are present in Portugal. Some of the main threats to the biological diversity of Portugal include change or destruction of habitats; pollution; overexploitation; invasive alien species; urbanization and fires. This, in combination with the fact that there are many small parcels to which few regulations apply puts biodiversity under pressure.
Detailed description of a mitigation measure
Desk assessment on key ecosystems and habitats-all classified areas: - National Network of Protected Areas. - Special Areas of Conservation (SAC). - Special Protection Areas (SPA). - Ramsar sites. - Important Bird Areas (IBA). - Priority habitats in Natura 2000 network. - Areas where threatened species occur. - Areas where endemic species of the Iberian Peninsula occur. - Areas where seasonal concentrations of species occur. - Large landscape level forests. - Important areas for watershed protection.

Data on ecosystems and habitats is prepared (publicly available). This information is shared by Enermontijo with its suppliers and with the harvesting teams. The harvesting teams are trained/informed to recognise key ecosystems and habitats.
Mapping of the harvesting plot, indicating key ecosystems, habitats and objects of importance to biodiversity; making photos prior to harvesting.
Best forestry practices, including measures to conserve and increase biodiversity (for example, standing dead wood).

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc.
2. Auditor analyzed geo-coordinates of a sample of entries and verified with geo databases potential HCV.
3. Auditor witnessed how Enermontijo staff evaluated harvesting practices and HCV.
4. Mitigation found sufficient to ensure that the feedstock is received as low risk. The control system for feedstock includes regular follow-up of suppliers and inspections to suppliers harvesting operations to check if harvesting is made according to best practices, including for this indicator, if protection of key species and habitats is ensured. If any deviations or non-conformities from this visit or other observations occur, the risk approach and its mitigation measures shall be reviewed.

Country

Portugal

Area/Sub-Scope

Mainland

Indicator

2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.

Specified risk description

The conversion of forests to urban and agricultural is a reality: in total, the forest area decreased by 150 611 ha (between 1995 and 2010, according to the 6th National Forest Inventory). ICNF states that the increase of woodlands exceeds the decline in forests. FAO statistics (2016) show a decrease in forest and agricultural area in Portugal.

Detailed description of a mitigation measure

Enermontijo checks if forests have been changed due to land conversion after 2008, i.e., the history of the land use is investigated. If needed, interviews with stakeholders and residents are taken.
This is dealt within the Feedstock Supplier Declaration.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc.
2. Auditor analyzed geo-coordinates of a sample of entries and verified with geo databases that origin has not been converted.
3. Mitigation found sufficient to ensure that the feedstock is received as low risk. The control system for feedstock includes regular follow-up of suppliers and inspections to suppliers' harvesting operations to check if harvesting is made according to best practices, including for this indicator, evaluation of conversion of forests. If any deviations or non-conformities from this visit or other observations occur, the risk approach and its mitigation measures shall be reviewed.

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
2.2.2 Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.
Specified risk description
The Portuguese legal framework covering these aspects is robust, but the different aspects covered by this indicator and the ownership of the Portuguese forest, mostly small size private properties, makes it difficult to ensure that in all territory this indicator can be classified as Low risk. Thus, this indicator has Low risk in areas where management plan exists, and Specified risk in areas with no management plan.
Detailed description of a mitigation measure
-Desk assessment on potential impacts of operations on forest ecosystem health, functions, vitality and services, using publicly available information. -Training /information to harvesting teams on best management practices, including measures to minimize impacts of operations.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc. 2. Auditor analyzed geo-coordinates of a sample of entries and verified with geo databases that ecosystems are maintained or enhanced. 3. Mitigation found sufficient to ensure that the feedstock is received as low risk. The control system for feedstock includes regular follow-up of suppliers and inspections to suppliers' harvesting operations to check if harvesting is made according to best practices, including for this indicator, ecosystem maintenance or enhancement. If any

deviations or non-conformities from this visit or other observations occur, the risk approach and its mitigation measures shall be reviewed.

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
2.2.3 Soil quality in the Supply Base shall be maintained or enhanced
Specified risk description
In some regions of the supply base there is a risk of degradation of soils (drought), mainly due to previous land-use practices and to climate change.
Detailed description of a mitigation measure
- Desk assessment of the site on soil quality using publicly available information and mapping; - Training/information to suppliers on best forestry practices, including on soil protection.
Detailed description of CB evaluation of mitigation measure and its conclusions
Field visits are performed during and after the field work to check compliance to soil quality maintenance in the forest lots. Mitigation measures such as erosion mitigation are implemented according to the best practices and site specific prescriptions. Verified on several sites during the audit. Mitigation found sufficient to ensure that the feedstock is received as low risk The control system for feedstock includes regular follow-up of suppliers and inspections to suppliers harvesting operations to check if harvesting is made according to best practices, including for this indicator

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
2.2.5 Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.
Specified risk description
The thresholds mentioned by law are 50 ha and 10 ha. These are still large areas regarding the populated and hilly countryside of Portugal. A clear-cut area of less than 10ha can easily create runoff and erosion dangers. The landscape can create dangerous situations; residents could be living in the valley. Small landowners are not obliged to take risks to the surroundings into

consideration. These risks can also be related to water lines.

Detailed description of a mitigation measure

- Desk assessment on important areas for watershed protection.
- Training feedstock suppliers on best forestry practices, including to not contaminate groundwater and protect the soil, forest and surroundings from surface water runoff.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, delivery notes, invoices, supplier audits, Enermontijo checklist, origin information, etc.
2. Auditor evaluated during field visits harvesting practices and potential impacts on water; the auditor witnessed Enermontijo staff verify their own evaluation. At two of the seven sampled FMUs (Herdade da Espadaneira; Campo de Tiro de Alcochete), the auditor observed possible signs of machinery incursion near a watercourse; in both cases the operators denied responsibility or stated the water buffer had been respected, and no further corroborating evidence was available to confirm or rule out an incursion. Aside from these two inconclusive observations, no other discrepancies were found between auditor and Enermontijo staff criteria.

It is important to note that the region experienced prolonged and substantial precipitation during the winter and spring. Therefore, it is reasonable to assume the presence of another vehicle when crossing the watercourse, given that the area is generally traversed by vehicles. This was evidenced during the audit, for instance by military personnel. The forestry workers and their supervisors stated that they had specific routes that avoided the affected watercourses.

3. Given the isolated and inconclusive nature of these two observations and the absence of any confirmed impact on water quality or quantity, the mitigation measure is considered sufficient. Verified on several sites during the audit; the two open observations will be followed up at the next audit.

Country

Portugal

Area/Sub-Scope

Mainland

Indicator

2.2.11 The impacts of natural processes such as fires, pests and diseases shall be managed.

Specified risk description

The specific risk considered for this indicator is related with forest wildfires. Since 2017, the most recent tragic year, the awareness of the population has raised, and some legal mechanisms and obligations were implemented to better prevent and facilitate the wildfire intervention. A recent study showed that summer values of fire risk tend to substantially increase in the future, dueto climate

change, with a likely stretching of the danger period. The north-western region of Iberia, including the north of Portugal and the north-western-to-central Spain were the regions where larger increases in fire risk in the future were found

Detailed description of a mitigation measure

- Investigation of PMDFCI (Forest Defense Against Fires Municipal Plan/Plano Municipal de Defesa da Floresta Contra Incêndios).
- Implementation of forest fire fighting measures according to legal requirements.
- Training /information to suppliers on best forestry practices, including related with fire protection and prevention during operations.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. The control system for feedstock includes regular follow-up of (sub)suppliers and inspections to the harvesting operations to check if the best practices are used, namely for this indicator to monitor if legal requirements for fire fighting prevention are in place, including valid fire fighting equipment.
If the PMDFCI of the harvesting site is found expired, the reason for this is investigated. If no reasonable justification exists (such as Plan not being updated or was never was developed by the reference Municipality), the feedstock from that site cannot be considered as SBP-compliant until the Municipality has a valid PMDFCI.
2. Field visits where conducted and mitigation found sufficient to ensure that the feedstock is received as low risk.
Verified on several sites during the audit

Country

Portugal

Area/Sub-Scope

Mainland

Indicator

3.3.1 Feedstock sourcing shall be in compliance with the principles of cascading use, high quality stem wood shall not be used as feedstock if it is in substantial demand for long-lived products in the Supply Base.

Specified risk description

Although the experience shows that market itself regulates the proper use of wood, there are conditions that may justify a deviation on the cascade use, but this shall be properly justified.

Detailed description of a mitigation measure

- Feedstock agreement with supplier specifying type and main characteristics of received feedstock.
- Visual and document control of the feedstock reception.

Detailed description of CB evaluation of mitigation measure and its conclusions

Visit the site during or after conclusion of harvesting operations. The control system for feedstock includes regular follow-up of suppliers and inspections to suppliers harvesting

operations to check if harvesting is made according to best practices, namely for this indicator to monitor if the feedstock being considered cannot be used for other purposes other than energy, i.e., if it is burnt wood or does not comply with the minimum requirements to serve other markets, such as related with dimensions and density. If feedstock characteristics is different from required by Enermontijo, not respecting the cascading principle, reason of such is investigated and the risk approach and its mitigation measures shall be reviewed. If reason found unjustifiable, the feedstock is not accepted as SBP-compliant feedstock.

Country
Portugal
Area/Sub-Scope
Mainland
Indicator
4.1.10 Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.
Specified risk description
This indicator is identified as specified risk due to the inherent risk of jobs in the forests.
Detailed description of a mitigation measure
Enermontijo has a control system and adequate procedures related to health and safety and demands the same from its feedstock suppliers. The harvesting teams are required to be qualified and approved before performing any operations. Enermontijo's feedstock suppliers' qualification process includes checking: - Work accidents Insurance and health aptitude forms. - Social Security responsibilities. - Workers training on health and safety. - Health and safety procedures. - Records of Personal Protection Equipment (PPE) delivery to workers. - Records of machinery safety inspections.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. Auditor analyzed a sample of entries of primary feedstock received in the reporting period and evaluated harvest permits, purchase documents, applicable OSHAS certification, accident insurances and reports, clearance letters, Enermontijo checklist, supplier audits, origin information, etc. 2. Interviews with workers during field visits confirmed that workers were aware of the safeguards put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures 3. Mitigation found sufficient to ensure that the feedstock is received as low risk